

# असाधारण EXTRAORDINARY

# भाग गि—खण्ड 2 PART II—Section 2

# श्राधिकार से प्रकाशित PUBLISHED BY AUTHORITY

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No. 41] NEW DELMI, TUESDAY, NOVEMBER 22, 1983/AGRAHAYANA 1905

# इस भाग में भिन्न पृष्ठ संख्या वो जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।

Separate paging is given to this Part in order that it may be filed as a separate compilation

## LOK SABHA

The following Bills were introduced in Lok Sabha on the 22nd November, 1983:--

#### BILL No. 116 of 1983

A Bill to provide for the establishment of Tribunals for the determination. in a fair manner, of the question whether a person is an illegal migrant to enable the Central Government to expel illegal migrants from India and for matters connected therewith or incidental thereto.

Whereas a publicatival number of the foreigners who migrated into India across the borders of the eastern and north-eastern regions of the country on and after the 25th day of March, 1971, have, by taking advantage of the circumstances of such migration and their ethnic similarities and other connections with the people of India and without having in their possession any lawful authority so to do, illegally remained in India;

AND WHEREAS the continuance of such foreigners in India is detrimental to the interests of the public of India;

And whereas on account of the number of such foreigners and the manner in which such foreigners have clandestinely been trying to pass off as citizens of India and all other relevant circumstances, it is necessary for the protection of the citizens of India to make special provisions for the detection of such foreigners in Assam and also in any other

part of India in which such foreigners may be found to have remained illegally;

BE it enacted by Parliament in the Thirty-fourth Year of the Republic of India as follows:—

#### CHAPTER I

# PRELIMINARY

Short title, extent and commencement.

- 1. (1) This Act may be called the Illegal Migrants (Determination by Tribunals) Act, 1983.
  - (2) It extends to the whole of India.
- (3) It'shall be deemed to have come into force in the State of Assam on the 15th day of October, 1983 and in any other State on such date as the Central Government may, by notification in the Official Gazette, appoint and different dates may be appointed for different States and references in this Act to the commencement of this Act shall be construed in relation to any State as references to the date of commencement of this Act in such State.

# Application.

- 2. Nothing in this Act shall apply to or in relation to—
  - (a) any person who was in any State and who had been expelled from that State or India before the commencement of this Act in that State or in relation to whose expulsion from such State or India any order made before such commencement under any other law is in force;
  - (b) any person detented as a foreigner at the time of his entry across any border of India;
  - (c) any foreigner who, having entered into India under a valid passont or travel document continued to remain therein after the expiry of the period for which he was authorised to remain in India under such passport or travel document.

## Definitions and construction of references.

- 3. (1) In this Act, unless the context otherwise requires,—
- (a) "Appellate Tribunal" means an Appellate Tribunal established by the Central Government under sub-section (1) of section 15;
- (b) "foreigner" has the same meaning as in the Foreigners Act, 1946;

31 of 1946.

- (c) "illegal migrant" means a person in respect of whom each of the following conditions is satisfied, namely:—
  - (i) he has entered into India on or after the 25th day of March, 1971,
    - (ii) he is a foreigner,
  - (iii) he has entered into India without being in possession of a valid passport or other travel document or any other lawful authority in that behalf;

- (d) "notification" means a notification published in the Official Gazette;
- (e) "prescribed" means prescribed by rules made under this Act:
- (f) "Tribunal" means a Tribunal established by the Central Government under sub-section (1) of section 5.
- (2) Any reference in this Act to any law which is not in force in any area shall, in relation to that area, be construed as a reference to the corresponding law, if any, in force in that area.
- 4. (1) The provisions of this Act or of any rule or order made thereunder shall have effect notw thstanding anything contained in the Immigrants (Expulsion from Assam) Act, 1950 or any other enactment for the time being in force, or any rule or order made under any such enactment and in force for the time being.

Overrid.
ing effect
of the
Act.

10 of 1950.

10 of 1950.

(2) In particular and without prejudice to the generality of the provisions of sub-section (1), nothing in the proviso to section 2 of the Immigrants (Expulsion from Assam) Act, 1950 shall apply to or in relation to an illegal migrant as defined in clause (c) of sub-section (1) of section 3.

#### CHAPTER II

#### ESTABLISHMENT OF TRIBUNALS

5..(1) The Central Government may, by notification, establish, for the purposes of this Act, as many Hegal Migrants (Determination) Tribunals as it may deem necessary and specify the principal place of sitting of, and the territorial limits within which, each such Tribunal shall exercise its jurisdicton.

Establishment of Illegal Migrants (Determination) Tribunals.

- (2) No person shall be appointed as a member of any such Tribunal runless he is or has been a District Judge or an Additional District Judge in any State.
  - (3) Each Tribunal shall consist of three members.
- (4) On the establishment of a Tribunal, the Central Government shall appoint one of the members thereof as the Chairman of such Tribunal.
- (5) Each Tribunal shall sit in its principal place of sitting and in such other place or places as its Chairman may, from time to time, appoint.
- 6. If, for any reason, any vacancy occurs in the office of the Chairman or any other member of a Tribunal, the Central Government may fill the vacancy by appointing any person who fulfils the qualifications specified in sub-section (2) of section 5, as the Chairman, or, as the case may be, member of such Tribunal.

Fi'ling of vacancies.

7. The Central Government shall make available to every Tribunal such staff as may be necessary for the discharge of its functions under this Act.

Staff of the Tribunels. References or applications to Tribunals. 8. (1) If any question arises as to whether any person is or is not an illegal migrant, the Central Government may, whether such question has arisen on a representation made by such person against any order under the Foreigners Act, 1946 requiring him not to remain in India or to any other effect or has arisen in any other manner whatsoever, refer such question to a Tribunal for decision.

31 of 1946.

(2) Without prejudice to the power conferred on the Central Government by sub-section (1), any person may make an application to the Tribunal, for its decision, as to whether the person whose name and other particulars are given in the application, is or is not an illegal migrant:

Provided that no such application shall be entertained by the Tribunal unless the person in relation to whom the application is made is found, or resides, at a place within three kilometres from the place of residence of the applicant.

- (3) Every application made under sub-section (2) shall be made in such form and in such manner as may be prescribed and shall be accompanied by affidavits sworn by not less than two persons residing within three kilometres of the area in which the person referred to in the application is found, or residing, corroborating the averments made in the application, and shall also be accompanied by such fee, being not less than twenty-five, and not more than one hundred, rupees, as may be prescribed.
- (4) Every reference under sub-section (1), and every application under sub-section (2), shall be made to the Tribunal within the territorial limits of whose jurisdiction the place of residence of the person named in such reference or application, as the case may be, is situated:

Provided that where the person named in such reference or application has no place of residence, the reference or application, as the case may be, shall be made to the Tribunal within the territorial limits of whose jurisdiction such person is found.

Powers of the Tribunal. 9. Every Tribunal shall have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908, while trying a suit, in respect of the following matters, namely:—

5 of 1908.

- (a) summoning and enforcing the attendance of witnesses and examining them on oath;
  - (b) discovery and production of any document;
  - (c) reception of evidence on affidavits;
  - (d) requisitioning of public records from any court or office;
  - (e) issuing of any commission for the examination of witnesses.

10. On receipt of a reference under sub-section (1) of section 8, the Tribunal shall serve on the person named in such reference, a notice, accompanied by a copy of such reference, calling upon him to make, within a period of thirty days from the date of receipt of such notice, such representation with regard to the averments made in the reference, and to produce such evidence as he may think fit in support of his defence:

Procedures
with res.
pect to
references
under subsection
(1) of
section 8.

Provided that if the Tribunal is satisfied that the person aforesaid was prevented by sufficient cause from making his representation and from producing evidence in support of his defence within the said period of thirty days, it may permit him to make his representation and to produce evidence in support of his defence, within such further period, not exceeding thirty days, as it may, by order, specify.

- 11. (1) On receipt of an application under sub-section (2) of section 8, the Tribunal st Al issue a notice, accompanied by a copy of the application, to the prescribed authority calling upon it to furnish, after making such inquiry as that authority may deem fit, a report to the Tribunal with regard to the averments made in the application.
- (2) If, on a consideration of the report made by the prescribed authority, the Tribunal is satisfied that—
  - (a) the person named in the application is not an illegal migrant or that the application is frivolous or vexatious, or has not been made in good faith, the Tribunal shall, after giving the applicant an opportunity to be heard, reject the application;
  - (b) there are reasonable grounds to believe that the person named in the application is an illegal migrant, the Tribunal shall issue a notice accompanied by a copy of the application, to the person named in the application, calling upon him to make, within thirty days from the date of receipt of the notice, such representation with regard to the averments made in the application and to produce such evidence as he may think fit in support of his defence:

Provided that if the Tribunal is satisfied that the person aforesaid was prevented by sufficient cause from making his representation and from producing evidence in support of his defence within the said period of thirty days, it may permit him to make his representation and to produce evidence in support of his defence, within such further period, not exceeding thirty days, as it may, by order, specify.

12. (1) The Tribunal to which a reference has been made under section 8, or to which an application has been made under that section, shall, after taking such evidence as may be adduced before it and after making such inquiry as it may think fit and after hearing such persons as it may deem appropriate, by order, decide the question as to whether the person named in such reference or application, as the case may be, is or is not an illegal migrant:

Determination of the question as to whether a person is an illegal migrant.

Provided that where for the determination of such question in any case the decision on any issue renders any decision on any other issue or issues unnecessary, the Tribunal may not decide such other issue or issues.

- (2) Where the members of the Tribunal differ in their opinion on any point, the decision on such point shall be according to the opinion of the majority of such members.
- (3) The Tribunal shall send a copy of every order passed by it to the prescribed authority and to the parties to the reference, or the application, as the case may be.

Procedure
with respect to
applications
under subsection
(2) of
section 8.

(4) Every order passed under sub-section (1) shall, subject to the decision of the Appellate Tribunal, be final and shall not be called in question in any court.

Reference and application to be disposed of within six months. 13. Every reference made to a Tribunal under section 8 or application made to a Tribunal under that section shall be inquired into as expeditiously as possible and every endeavour shall be made to conclude such inquiry within a period of six months from the date of the service, on the person concerned, of a copy of such reference or application.

Appeal.

14. The Central Government, or any person, named in a reference or an application under section 8, or any applicant under sub-section (2) of that section may, if it or he is not satisfied with any order made by a Tribunal under section 12, prefer an appeal to the Appellate Tribunal against such order.

Appellate Tribunal.

- 15. (1) The Central Government may, by notification, establish for each State in which this Act is in force an Appellate Tribunal to be known as the Illegal Migrants (Determination) Appellate Tribunal for deciding appeals preferred under section 14 against orders made by Tribunals in the State and specify the principal place of sitting of such Appellate Tribunal.
- (2) No person shall be appointed as a member of an Appellate Tribunal unless he is or has been a Judge of a High Court.
- (3) An Appellate Tribunal shall consist of as many members, not being less than three and more than six, as the Central Government may think fit.
- (4) The Central Government shall appoint one of the members of an Appellate Tribunal to be the President thereof.
- (5) An Appellate Tribunal shall sit in its principal place of sitting or any such other place or places as the President thereof may, from time to time, appoint.
- (6) The powers and functions of an Appellate Tribunal may be exercised and discharged by benches constituted by the President thereof from amongst the members thereof and each bench shall consist of not less than two members.
- .(7) The Central Government shall make available to every Appellate Tribunal such staff as may be necessary for the discharge of its functions under this Act.
- (8) Every memorandum of appeal to an Appellate Tribunal shall be made in such form and in such manner as may be prescribed, and, in the case of an appeal preferred by an applicant under sub-section (2) of section 8, shall also be accompanied by such fee, not being less than twenty-five and more than one hundred rupees, as may be prescribed.

(9) Every appeal shall be preferred within thirty days from the date on which the order sought to be appealed against was communicated to the appellant:

Provided that the Appellate Tribunal may, if it is satisfied that the appellant was prevented by sufficient cause from preferring the appeal within the said period, admit an appeal after the expiry of the aforesaid period of thirty days.

5 of 1908.

- (10) Every Appellate Tribunal shall have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908, while trying a suit, in respect of the following matters, namely:—
  - (a) summoning and enforcing the attendance of witnesses and examining them on oath;
    - (b) discovery and production of any document;
    - (c) reception of evidence on affidavits:
    - (d) requisitioning of public records from any court or office;
    - (e) issuing of any commission for the examination of witnesses.
- 16. (1) The Appellate Tribunal may, after giving the parties to the Order of appeal a reasonable opportunity of being heard, pass such orders thereon the Appelas it may think fit, confirming, modifying or annulling the order appealed late Triagainst or may remand the case to the Tribunal which had passed such order with such directions to that Tribunal as the Appellate Tribunal may think fit, for fresh determination after taking additional evidence, if necessary.

- (2) Where an appeal had been heard by the Appellate Tribunal and the members thereof differ in their opinion on any point, the decision on such point shall, where there is a majority, be according to the opinion of such majority, and where there is no majority and the members are equally divided in their opinion, they shall draw up a statement of the facts of the case and the point or points on which they differ in their opinion and make a reference of the point or points or of the appeal, as the case may be, to the President of such Tribunal, and on receipt of such reference, the President of the Tribunal shall arrange for the hearing of such point or points, or the appeal, by one or more of the members of the Appellate Tribunal, and such point or points, or the appeal, as the case may be, shall be decided according to the opinion of the majority of the members of the Appellate Tribunal, who have heard the appeal, including those who had first heard it.
- (3) The Appellate Tribunal shall send a copy of every order passed by it under sub-section (1) to the parties to the appeal and to the Tribunal concerned.
- (4) Subject to the provisions of section 17, every order passed under sub-section (1), other than an order remanding the case, shall be final and no order passed under that sub-section shall be called in question in any court.

Revision.

- 17. The High Court may call for the record of any case which has been decided by the Appellate Tribunal situate within its local jurisdiction, and if such Appellate Tribunal appears—
  - (a) to have exercised a jurisdiction not vested in it by law, or
  - (b) to have failed to exercise a jurisdiction so vested or
  - (c) to have acted in the exercise of its jurisdiction illegally or with material irregularity,

the High Court may make such order in the case as it thinks fit:

Provided that the High Court shall not, under this section, vary or reverse any order made or any order deciding an issue in the course of a proceeding with respect to an appeal, except where—

- (i) the order, if it had been made in favour of the party applying for revision, would have finally disposed of the proceeding, or
- (ii) the order, if allowed to stand, would occasion a failure of justice or cause irreparable injury to the party against whom it was made.

Explanation.—In this section, the expression "any case which has been decided" includes any order made or any order deciding an issue in the course of a proceeding with respect to any appeal.

#### CHAPTER III

### PROVISIONS APPLICABLE TO ALL TRIBUNALS

Procedure. 18. Subject to the provisions of this Act and the rules made thereunder, every Tribunal and every Appellate Tribunal shall have the power to regulate its own procedure in all matters arising out of the exercise of its powers or for the discharge of its functions.

Proceeding before every Tribunal to be judicial proceeding for certain purposes. 19. Every proceeding before a Tribunal or the Appellate Tribunal shall be deemed to be a judicial proceeding within the meaning of sections 193 and 228, and for the purposes of section 196 of the Indian Penal Code; and every such Tribunal or Appellate Tribunal, as the case may be, shall be deemed to be a civil court for the purposes of section 195 and Chapter XXVI of the Code of Criminal Procedure, 1973.

45 of 1860.

2 of 1974.

#### CHAPTER IV

#### ENFORCEMENT OF THE ORDERS MADE BY THE TRIBUNALS

Expulsion of illegal migrants.

20. Where a person has been determined by a Tribunal, or, as the case may be, by the Appellate Tribunal to be an illegal migrant, the Central Government shall, by order served on such person, direct such person to remove himself from India within such time and by such route as may be specified in the order and may give such further directions in regard to his removal from India as it may consider necessary or expedient.

# CHAPTER V

#### MISCELLANEOUS

21. The Central Government may, by notification, direct that the powers and duties conferred or imposed on it by this Act, other than the powers conferred by section 28, and the powers conferred by this section, may, subject to such conditions as may be specified in the notification, be exercised or discharged also by—

Delegation of powers.

- (a) any officer subordinate to the Central Government;
- (b) any State Government or any officer subordinate to that Government.
- 22. Any authority empowered by or in pursuance of the provisions of this Act to exercise any power, may, in addition to any other action expressly provided for in this Act, take, or cause to be taken, such steps, and use, or cause to be used, such force, as may in its opinion be reasonably necessary for the effective exercise of such power.
- 23. Where a Tribunal or Appellate Tribunal has been established for any area for the purpose of determining whether a person is or is not an illegal migrant, no civil court shall have jurisdiction to entertain any question relating to that matter in that area and no injunction or any other order in respect of any action taken by, or before, the Tribunal or Appellate Tribunal in respect of that matter shall be granted or made by any civil court.

Bar of jurisdiction of civil courts.

Power to

give

effect.

to the

orders,

etc.

24. Where in any suit or other legal proceeding pending, whether in a civil court or in any Tribunal established under any other law for the time being in force, immediately before the commencement of this Act, a question arises as to whether a person is or is not an illegal migrant, such court or Tribunal shall, without deciding such question, make an order transferring such suit or other legal proceeding to the Tribunal under this Act within the territorial limits of whose jurisdiction such court or other Tribunal is situate and on such transfer such question shall be dealt with by such Tribunal in accordance with the provisions of this Act.

Transitory provision.

# 25. Any person who,---

Penalties.

- (a) contravenes or attempts to contravene, or abets the contravention of, any order made under section 20; or
- (b) fails to comply with any direction given by any such order; or
- (c) harbours any person who has contravened any order made under section 20 or has failed to comply with any direction given by any such order,

shall be punishable with imprisonment for a term which may extend to three years and shall also be liable to fine.

Protection of action taken in good faith. 26. No suit, prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done under this Act.

Power to remove difficulties.

27. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order to be published in the Official Gazette, make such provisions, not inconsistent with the provisions of this Act, as appear to it to be necessary or expedient for removing the difficulty:

Provided that no such order shall be made after the expiry of a period of two years from the commencement of this Act.

(2) Every order made under this section shall, as soon as may be after it is made, be laid before each House of Parliament.

Power to make rules.

- 28. (1) The Central Government may, by notification, make rules to carry out the provisions of this Act.
- (2) In particular and without prejudice to the generality of the foregoing powers, such rules may provide for all or any of the following matters, namely:—
  - (a) the form and the manner in which an application may be made and the fee which shall accompany such application, as required by sub-section (3) of section 8;
    - (b) the authority to be prescribed under section 11;
    - (c) the form and the manner in which an appeal to the Appellate Tribunal may be preferred and the fee which shall accompany such appeal, as required by sub-section (8) of section 15;
    - (d) any other matter which is required to be, or may be, prescribed.
- (3) Every rule made by the Central Government under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Repeal and saving.

29. (1) The Illegal Migrants (Determination by Tribunals) Ordinance, 1983, is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under the corresponding provisions of this Act.

B of 1983.

# STATEMENT OF OBJECTS AND REASONS

The influx of foreigners who illegally migrated into India across the borders of the sensitive eastern and north-eastern regions of the country and remained in the country poses a threat to the integrity and scurity of the said regions. A substantial number of such foreigners who migrated into India after the 25th day of March, 1971, have, by taking advantage of the circumstances of such migration and their ethnic similarities and other connections with the people of India, illegally remained in India without having in their possession lawful authority so to do. The continuance of these persons in India has given rise to serious problems. The clandestine manner in which these persons have been trying to pass off as citizens of India has rendered their detection difficult. After taking into account the need for their speedy detection the need for protection of genuine citizens of India and the interests of the general public, the President promulgated, on the 15th October, 1983, the Illegal Migrants (Determination by Tribunals) Ordinance, 1983, to provide for the establishment of Tribunals.

- 2. The Ordinance provided for the establishment of Tribunals for the determination, in a fair manner, of the question whether a person is an illegal migrant. The definition of "illegal migrant", as provided in the Ordinance, recognised the 25th March, 1971, as the cut off date. The Ordinance also empowered the Central Government to make a reference to the Tribunal and also enabled private citizens to make applications to the Tribunal for determining the question whether any person is an illegal migrant as defined in the Ordinance. The Ordinance also made suitable provisions for appeal, barring the jurisdiction of civil courts, and explusion of persons found to be illegal migrants.
  - 3. The Bill seeks to replace the Ordinance.

NEW DELHI; The 9th November, 1983. P. C. SETHI.

# PRESIDENT'S RECOMMENDATION UNDER ARTICLE 117 OF THE CONSTITUTION OF INDIA

\*TCopy of letter No. 11012/129/83-NE. IV, dated the 12th November, 1983 from Shri P. C. Sethi, Minister of Home Affairs to the Secretary, Lok Sabha.

The President, having been informed of the subject matter of the Illegal Migrants (Determination by Tribunals) Bill, 1983 recommends the consideration of the Bill in Lok Sabha under article 117(3) of the Constitution of India,

# FINANCIAL MEMORANDUM

Sub-clause (1) of clause 5 of the Bill provides for the establishment of Illegal Migrants (Determination) Tribunals by the Central Government for the purpose of determining the question as to whether a person is an illegal migrant. Clause 7 provides for the appointment of staff of the Tribunals. Sub-clause (1) of clause 15 provides for the establishment of Illegal Migrants (Determination) Appellate Tribunal by the Central Government for the purpose of deciding appeals preferred against orders made by the Tribunals in the State. Sub-clause (7) of that clause provides for the appointment of staff of the Appellate Tribunal. The above provisions, if enacted, would involve expenditure from the Consolidated Fund of India on the following items, namely:—

- (a) recurring expenditure on salaries and allowances of the members of the Tribunals and the supporting staff and expenses on account of petrol, oil and lubricant for the conveyance, travelling allowances, rent for office and residential accommodation. Each Tribunal shall have three members. All the members of the Tribunals shall be either serving or retired District Judges or Additional District Judges;
- (b) non-recurring expenditure on account of furniture, office equipment and a car for each Tribunal;
- (c) recurring expenditure on salaries and allowances of the members of the Appellate Tribunal and the supporting staff. The Appellate Tribunal will have not less than three and more than six members, who shall be either serving or retired Court Judges.
- (d) non-recurring expenditure on account of furniture, office equipment and conveyance of the Appellate Tribunal.
- 2. (i) The approximate recurring expenditure for setting up one Tribunal is estimated to be Rs. 3,03,120 per annum. This includes expenditure on salaries of the members of the Tribunal, staff for the Tribunal, office expenses, petrol, oil and lubricants, travelling allowances, rent for office and residential accommodation.
- (ii) The approximate non-recurring expenditure for one Tribunal is estimated to be Rs. 1,20,900 per annum. This includes expenditure on furniture, typewriter and car. As the establishment of twenty Tribunals in the State of Assam has been notified, the expenditure on Tribunals will be as follows:—

Recurring
Non-recurring

Rs. 60,62,400

Rs. 24,18,000,

3. As the Bill seeks to provide that an Appellate Tribunal shall consist of a minimum of three members, recurring expenditure on account of salaries of the three members (including one Chairman) of the Appellate Tribunal, salaries of staff for the Appellate Tribunal, office expenses, petrol, oil and lubricants, travelling allowances, rent for office and residential accommodation, is estimated to be Rs. 3,61,320 per annum. Non-recurring expenditure on account of furniture, office equipments and conveyances for the Appellate Tribunal is estimated to be Rs. 1,40,900 per annum. On the assumption that one Appellate Tribunal would be set up for the State of Assam, the expenditure on Appellate Tribunal will be as follows:—

Recurring

Rs. 3,61,320 per annum

Non-recurring

Rs. 1,40,900 per annum.

4. The Bill, if enacted, is not likely to involve any other recurring or non-recurring expenditure.

#### MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 28 of the Bill empowers the Central Government to make rules for carrying out the provisions of the proposed legislation. The matters in respect of which such rules may be made are specified in that clause. They, inter alia, relate to the form and the manner in which an application may be made and the fee which shall accompany such application, the authority to be prescribed under clause 11 and the form and the manner in which an appeal to the Appellate Tribunal may be preferred and the fee which shall accompany such appeal. The matters with respect to which rules may be made are matters of procedure or detail.

2. The delegation of legislative power is, therefore, of a normal character.

# MEMORANDUM INDICATING THE MODIFICATIONS WHICH ARE PROPOSED TO BE MADE BY THE BILL IN THE ILLEGAL MIGRANTS (DETERMINATION BY TRIBUNALS) ORDINANCE, 1983

In clause 13 a modification has been provided that the period of six months within which a reference made to the Tribunal shall be disposed of shall be computed from the date on which a copy of the said reference is served on the person concerned for securing conformity with clause 10 of the Bill which provides for serving of the copy of the reference itself.

2. Sub-clause (1) of clause 27 has been modified to include a time limit beyond which it shall not be permissible to make any order for removing any difficulty.

#### BILL No. 118 of 1983

A Bill to provide for the taking over in the public interest of the management of the textile undertakings of he companies specified in the First Scheduled pending nationalisation of such undertakings and for matters connected therewith or incidental thereto.

Whereas by reason of mismanagement of the affairs of the textile undertakings specified in the First Schedule, their financial condition became wholly unsatisfactory even before the commencement in January 1982 of the textile strike in Bombay and their financial condition has thereafter further deteriorated;

AND WHEREAS certain public financial institutions have advanced large sums of money to the companies owning the said undertakings with a view to making the said undertakings viable;

AND WHEREAS further investment of very large sums of money is necessary for reorganising and rehabilitating the said undertakings and thereby to protect the interests of the workmen employed therein and to augment the production and distribution at fair prices of different varieties of cloth and yarn so as to subserve the interests of the general public;

AND WHEREAS acquisition by the Central Government of the said undertakings is necessary to enable it to invest such large sums of money;

AND WHEREAS, pending the acquisition of the said undertakings, it is expedient in the public interest to take over the management of the said undertakings;

BE it enacted by Parliament in the Thirty-fourth Year of the Republic of India as follows:—

# CHAPTER I

#### **PRELIMINARY**

Short title and commencement.

- 1. (1) This Act may be called the Textile Undertakings (Taking Over of Management) Act, 1983.
- (2) It shall be deemed to have come into force on the 18th day of October, 1983.

Definitions.

- 2. In this Act, unless the context otherwise requires.—
- (a) "appointed day" means the date on which this Act comes into force;
- (b) "Custodian" means the person appointed under section 4 to take over the management of the undertakings;
- (c) "notification" means a notification published in the Official Gazette;
- (d) "textile undertaking" or "the textile undertaking" means an undertaking specified in the second column of the First Schedule;
- (e) "textile company" means a company (being a company as defined in the Companies Act, 1956) specified in the third column of the First Schedule, as owning the undertaking specified in the corresponding entry in the second column of that Schedule;

1 of 1956.

(f) words and expressions used herein and not defined but defined in the Companies Act, 1956, shall have the meanings respectively assigned to them in that Act.

1 of 1956.

# CHAPTER II

TAKING OVER OF THE MANAGEMENT OF CERTAIN TEXTILE UNDERTAKINGS

Management of certain textile undertakings to vest in the Central Government.

- 3. (1) On and from the appointed day, the management of all the textile undertakings shall vest in the Central Government.
- (2) The textile undertaking shall be deemed to include all assets, rights, lease-holds, powers, authorities and privileges of the textile company in relation to the said textile undertaking and all property, movable and immovable, including lands, buildings, workshops, projects, stores, spares, instruments, machinery, equipment, automobiles and other vehicles, and goods under production or in transit, cash balances, reserve fund, investments and book lets and all other rights and interests in or arising out of such property as were, immediately before the appointed day, in the ownership, possession, power or control of the textile company whether within or outside India and all books of account, registers and all other documents of whatever nature relating thereto.

(3) Any contract, whether express or implied, or other arrangement, in 'so far as it relates to the management of the business and affairs of the textile undertaking and in force immediately before the appointed day, or any order made by any court in so far as it relates to the management of the business and anairs or the textile undertaking and in force immediately before the appointed day shall be deemed to have terminated on the appointed day.

- (±) All persons in charge of the management, including persons holding offices as directors, managers of any other managerial personner, or the textile company in relation to the textile undertaking, immediately before the appointed day, shall be deemed to have vacated their offices as such on the appointed day.
- () Notwithstanding anything contained in any other law for the time being in torce no person in respect or whom any contract of management or other arrangement is terminated by reason of the provisions contained in sub-section (2), or who ceases to hold any office by reason of the provisions contained in sub-section (+), shall be entitled to claim any compensation for the premature termination of the contract of management or other arrangement or for the loss of office, as the case may be.
- (6) Notwithstanding any judgment, decree or order or any court, tribunal or other authority or anything contained in any other law (other than this Act) for the time being in force, every receiver or other person in whose possession or custody or under whose control the textile undertaking or any part thereof may be immediately before the appointed day, shall, on the commencement of this Act, deliver the possession of the said undertaking or such part thereot, as the case may be, to the Custodian, or where no Custodian has been appointed, to such other person as the Central Government may direct.
- (7) For the removal of doubts, it is hereby declared that any liability incurred by a textue company in relation to the textile undertaking before the appointed day shall be enforceable against the concerned textile company and not against the Central Government or the Custodian.
- 4. (1) The Central Government may, as soon as it is convenient administratively so to do, appoint any person or body of persons (including a Government company, whether in existence at the commencement of this Act or incorporated thereafter) as a Custodian of the textile undertaking for the purpose of takings. carrying on the management of such undertaking and the Custodian so appointed shall carry on the management of the textile undertaking for and on behalf of the Central Government.

Custodian of the textile under-

- (2) On the appointment of a Custodian under sub-section (1), the management of the textile undertaking shall vest in such Custodian and all persons in charge of the management of such undertaking immediately before such appointment shall cease to be in charge of such management and shall be bound to deliver such management to the Custodian.
- (3) The Central Government may, by notification, authorise the Custodian to appoint any person (including a Government company, whether in existence at the commencement of this Act or incorporated thereafter) as the Additional Custodian of the textile undertaking,
- (4) The Additional Custodian shall assist the Custodian in the exercise of his or its powers and duties under this Act and shall function under the direction, supervision and control of the Custodian; and the Custodian may

delegate to the Additional Custodian ail or such of his or its powers as he or it may think fit.

- (5) Subject to any general or special direction given or condition imposed by the Custodian, any person authorised by the Custodian to exercise any power may exercise that power in the same manner and with the same effect as it it had been conferred on that person directly by this Act and not by way of authorisation.
- (6) The Central Government may issue such directions (including directions as to initiating, detending or continuing any legal proceedings before any court, tribunal or other authority) to the Custodian as to his or its powers and duties as the Central Government deems to be desirable in the circumstances of the case, and the Custodian may also apply to the Central Government at any time for instructions as to the manner in which he or it shall conduct the management of the textile undertaking or in relation to any other matter arising in the course of such management.
- (7) Subject to the other provisions of this Act and the control of the Central Government, the Custodian shall be entitled, notwithstanding anything contained in the Companies Act, 1956, to exercise all the powers, in relation to the textile undertaking, of the Board of Directors of the textile company (including the power to dispose of any properties or assets of the textile company) whether such powers are derived from the Companies Act, 1956, or from the memorandum and articles of association of the concerned textile company or from any other source.

1 of 1956.

- (8) Every person having possession, custody or control of any property forming part of the textile undertaking shall deliver forthwith such property to the Custodian or to any officer or other employee of the Central Government or the Custodian, as may be authorised by the Central Government or the Custodian in this behalf.
- (9) Any person who, on the appointed day, has in his possession or under his control any books, papers or other documents relating to the textile undertaking the management of which has vested in the Gentral Government under this Act, shall, notwithstanding anything contained in any other law for the time being in force, be liable to account for the books, papers and other documents (including such minutes books, cheque books, letters, memoranda, notes or other communications) to the Custodian and shall deliver them up to the Custodian or to any such person (being an officer or other employee of the Central Government or the Custodian) as may be authorised by the Central Government or the Custodian in this behalf.
- (10) Every person in charge of the management of any textile undertaking immediately before the appointed day shall, within ten days from that day or within such further period as the Central Government may allow in this behalf, furnish to the Custodian a complete inventory of all the properties and assets (including particulars of book debts and investments and belongings) forming part of the undertaking immediately before the appointed day and of all the liabilities and obligations of the textile company in relation to the undertaking, subsisting immediately before that day, and also of all agreements entered into by such textile company in relation to the undertaking and in force immediately before that day.

- (11) The Custodian and the Additional Custodian shall receive from the funds of the textile undertakings such remuneration as the Central Government may fix.
- 5. (1) Every textile company shall be given by the Central Government an amount, in cash, and at the rate specified in sub-section 2), for the vesting in it, under section 3, of the management of the textile undertaking of the company.

Payment of amount.

- (2) For every month during which the management of the textile undertaking remains vested in the Central Government under this Act, the amount, referred to in sub-section (1), shall be computed—
  - (i) for a spinning unit, at the rate of fifty paise per 1,000 spindles or any part thereof:
  - (ii) for a wearing unit, at the rate of one rupee per 100 looms or any part thereof;
  - (iii) for a composite unit with or without dye-house, at the rate of fifty paise per 1,000 spindles or any part thereof plus one rupee per 100 looms plus one paisa per 10,000 metres of cloth processed in the dye-house based on the average monthly production during the period of three years immediately preceding the appointed day;
  - (iv) for a wholly processing unit (being a unit which does not have any spindle or loom), one paisa per one thousand square metres or any part thereof of the average of the total quantity of textiles processed during the period of three years immediately preceding the appointed day in such unit.

### CHAPTER III

# POWER TO PROVIDE RELIEF TO THE TEXTILE UNDERTAKINGS

- 6. (1) The Central Government may, if satisfied, in relation to any of the textile undertakings or any part thereof, the management of which has vested in it under this Act, that it is necessary so to do in the interests of the general public with a view to preventing any fall in the volume of production of such undertaking, by notification, declare that—
  - (a) all or any of the enactments specified in the Second Schedule shall not apply or shall apply with such adaptations, whether by way of modification, addition or omission (which does not, however, affect the policy of the said enactments) to such undertaking as may be specified in such notification or
  - (b) the operation of all or any of the contracts, assurances of property, agreements settlements, awards, standing orders or other instruments in force (to which such textile undertaking or the textile company owning such undertaking is a party or which may be applicable to such textile undertaking or textile company) immediately before the date of issue of the notification shall remain suspended or that all or any of the rights, privileges, obligations and liabilities accruing or arising thereunder before the said date shall remain suspended or shall be enforceable subject to such adaptations and in such manner as may be specified in the notification.

Power of the Central Government to make certain declarations in relation to certain textile undertakings.

(2) The notification made under sub-section (1) shall remain in force, in the first instance, for a period of one year but the duration of such notification may be extended from time to time by a further notification by a period not exceeding one year at a time:

Provided that no such notification shall, in any case, remain in force after the expiry of three years from the commencement of this Act.

- (3) Any notification made under sub-section (1) shall have effect notwithstanding anything to the contrary contained in any other law, agreement or instrument or any decree or order of a court, tribunal, officer or other authority or in any submission, settlement or standing order.
- (4) Where by virtue of a notification under clause (b) of sub-section (1), any right, privilege, obligation or liability remains suspended or is enforceable subject to the adaptations and in the manner specified in the notification, all proceedings relating thereto pending before any court, tribunal, officer or other authority shall accordingly remain stayed or be subject to such adaptations, as the case may be; so however, on the notification ceasing to have effect—
  - (a) such right, privilege, obligation or liability shall be enforceable as if the notification had never been made;
  - (b) any proceeding so remaining stayed shall be proceeded with subject to the provisions of any law which may be then in force, from the stage which had been reached when the proceeding became stayed.
- (5) In computing the period of limitation for the enforcement of any right, privilege, obligation or liability referred to in clause (b) of sub-section (1), the period during which, it or the remedy for the enforcement thereof remained suspended shall be excluded.

#### CHAPTER IV

## MISCELLANEOUS

Act to have overviding effect. 7. The provisions of this Act or any notification, order or rule made thereunder shall have effect notwithstanding anything inconsistent therewith contained in any law (other than this Act) or in any instrument having effect by virtue of any law other than this Act or in any decree or order of any court.

Application of Act 1 of 1956.

- 8. (1) So long as the management of the textile undertaking of a textile company remains vested in the Central Government under this Act, notwithstanding anything contained in the Companies Act, 1956 or in the memorandum or articles of association of such company,—
  - (a) it shall not be lawful for the shareholders of the textile company or any other person to nominate or appoint any person to be a Director of such textile company in relation to such undertaking;
  - (b) no resolution affecting (whether directly or indirectly) such undertaking which is passed at any meeting of the shareholders of the textile company on or after the appointed day shall be given effect to unless approved by the Central Government;
  - (c) no proceeding for the winding up of the textile company or for the appointment of a liquidator or receiver in respect thereof shall lie in any court except with the consent of the Central Government.

1 of 1956.

- (2) Subject to the provisions contained in sub-section (1), and to the other previsions contained in this Act and subject to such other exceptions, restriction and limitations, if any, as the Central Government may, by notification, specify in this behalf, the Companies Act, 1956, shall continue to apply to the textile companies in the same manner as it applied thereto before the appointed day.
- 9. In computing the period of limitation prescribed by any law for the time being in force for any suit or application against any person by any of the textile companies in respect of any matter arising out of any transaction in relation to its textile undertaking, the time during which this Act remains in force shall be excluded.

Exclusion of period of operation of this Act from limitation.

10. (1) No suit, prosecution or other legal proceeding shall lie against the Central Government or the Custodian or the Additional Custodian or any officer or other employee of the Central Government or the Custodian for anything which is in good faith done or intended to be done under this Act.

Protection of action taken in good faith.

- (2) No suit or other legal proceeding shall lie against the Central Government or the Custodian or the Additional Custodian or any of the officers or other employees of the Central Government or the Custodian for any damage caused or likely to be caused by anything which is in good faith done or intended to be done under this Act.
- 11. (1) If the Central Government is satisfied, after such inquiry as it may think proper, that any contract or agreement entered into at any time within three years immediately preceding the appointed day between any of the textile companies or managing or other director of any such textile company and any other person in relation to any service, sale or supply to, or by, its textile undertaking and in force immediately before the appointed day, has been entered into in bad faith, or is detrimental to the interests of the textile undertaking of the concerned textile company, it may make, within one hundred and eighty days from the appointed day, an order cancelling or varying (either unconditionally or subject to such conditions as it may think fit to impose) such contract or agreement and thereafter the contract or agreement shall have effect accordingly:

Contracts, etc., in bad faith may be cancelled or varied.

Provided that no contract or agreement shall be cancelled or varied except after giving to the parties to the contract or agreement a reasonable opportunity of being heard.

- (2) Any person aggrieved by an order made under sub-section (1) may make an application to the principal civil court of original jurisdiction within the local limits of whose jurisdiction the registered office of the concerned textile company is situated for the variation or reversal of such order and thereupon such court may confirm modify or reverse such order.
- 12. Any transfer of property, movable or immovable, or any delivery of goods made by or on behalf of any of the textile companies (not being a transfer or delivery made in the ordinary course of its business or in favour of a purchaser for valuable consideration and in good faith), if made within a period of six months immediately preceding the appointed day, shall be void against the Central Government or the Custodian, as the case may be.

Avoidance of voluntary transfers. Power to terminate contracts of employment. 13. If the Custodian is of opinion that any contract of employment entered into by any textile company or managing or other director of the company in relation to its textile undertaking at any time before the appointed day is unduly onerous, he or it may, by giving to the employee one month's notice in writing or salary or wages for one month in lieu thereof, terminate such contract of employment.

Penalties.

# 14. (1) Any person who,---

- (a) having in his possession or custody or under his control any property forming part of any of the textile undertakings, wrongfully withholds such property from the Custodian or any person authorised under this Act, or
  - (b) wrongfully obtains possession of any such property, or
- (c) wilfully retains any property forming part of such textile undertaking or removes or destroys it, or
- (d) wilfully withholds from, or fails to deliver to, the Custodian or any person authorised under this Act, any books, papers or other documents relating to such textile undertaking which may be in his possession, power or custody or under his control, or
- (e) fails, without any reasonable excuse, to furnish information or particulars as provided in section 4,

shall be punishable with imprisonment for a term which may extend to two years, or with fine which may extend to ten thousand rupees, or with both.

(2) No court shall take cognizance of an offence punishable under this section except with the previous sanction of the Gentral Government or an officer authorised by that Government in this behalf.

Offences by companies

15. (1) Where an offence under this Act has been committed by a company, every person who, at the time the offence was committed, was in charge of, and was responsible to, the company for the conduct of the business of the company as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment, if he proves that the offence was committed without his knowledge and that he had exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to, any neglect on the part of any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation.—For the purposes of this section,—

- (a) "company" means any body corporate and includes a firm or other association of individuals; and
  - (b) "director", in relation to a firm, means a partner in the firm,

16. (1) The Central Government may, by notification, make rules for Power to carrying out the provisions of this Act.

rules.

(2) Every rule made by the Central Government under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

10 of 1983.

17. (1) The Textile Undertakings (Taking Over of Management) Ordi- Repeal nance, 1983, is hereby repealed.

and saving.

(2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under the corresponding provisions of this Act.

#### THE FIRST SCHEDULE

[See section 2 (d) and (e)]

S. No.	Name of the undertaking	Name of the owner
I	2	3
	.,	

- 1 Elphinstone Spinning and Weaving Mills, Elphinstone Road, Bombay.
- 2 Finlay Mills, 10/11, Dr. S. S. Rao Road, Bombay.
- 3 Gold Mohur Mills, Dadasaheb Phalke Road, Dadar, Bombay.
- 4 Jam Manufacturing Mills, Lalbaug, Parcl, Bombay.
- 5 Kohinoor Mills (No. 1), Naigaum Cross Road, Dadar, Bombay.
- 6 Kohinoor Mills (No.2), Naigaum Cross Road, Dadar, Bombay.
- 7 Kohinoor Mills (No. 3), Lady Jamshedji Road, Dadar, Bombay.
- 8 New City of Bombay Manufacturing Mills, 63, Tukaram B. Kadam Marg, Bombay.
- 9 Podar Mills, N. M. Joshi Marg, Bombay.
- to Podar Mills (Process House), Ganpat Rao Kadam Marg, Bombay.
- 11 Shree Madhusudan Mills, Pandurang Budhkar Marg, Bombay.
- 12 Shree Sitaram Mills, N. M. Joshi Marg, Bombay.
- 13 Tata Mills, Dr. Ambedkar Road, Dadar, Bombay.

- The Elphinstone Spinning and Weaving Mills Co. Ltd., Kamani Chambers, 32, and Weaving Ramji Bhai Kamani Marg, Bombay-38.
- The Finlay Mills Ltd., Chartered Bank Building, Fort, Bombay-23.
- The Gold Mohur Mills Ltd., Chartered Bank Building, Fort, Bombay-23.
- The Jam Manufacturing Co. Ltd., Lalbaug, Parel, Bombay-12.
- The Kohinoor Mills Co. Ltd., Killick House, Charanjit Rai Marg (Home Street), Fort, Bombay-1.
- The Kohinoor Mills, Co. Ltd., Killick House, Charanjit Rai Marg (Home Street), Fort, Bombay-1.
- The Kohinoor Mills Co. Ltd., Killick House, Charanjit Rai Marg (Home Street), Fort, Bombay-1.
- The New City of Bombay Manufacturing Co. Ltd., 63, Tukaram Bhisaji Kadam Path, Bombay-33.
- The Podar Mills Ltd., Podar Chambers, Syed Abdulla Brelvi Road, Fort, Bombay-1.
- The Podar Mills Ltd., Podar Chambers, Syed Abdulla Brelvi Road, Fort, Bombay-1.
- Mills Ltd., Shree Madhusudan Chowringhee Road, Calcutta-16.
- Shree Sitaram Mills Ltd., N. M. Joshi Marg, Bombay-11.
- The Tata Mills Ltd., Bombay House, .24, Homi Mody Street, Fort, Bombay-23.

# THE SECOND SCHEDULE

# (See section 6)

The Industrial Employment (Standing Orders) Act, 1946.
 The Industrial Disputes Act, 1947.
 The Minimum Wages Act, 1948.
 1946.
 14 of 1947.
 11 of 1948.

#### STATEMENT OF OBJECTS AND REASONS

The Textile Undertakings (Taking Over of Management) Ordinance, 1983 was promulgated by the President on 18th October, 1983 to vest in the Central Government the management of thirteen textile undertakings, pending their nationalisation. By reason of mismanagement of the affairs of these undertakings, their financial condition which became wholly unsatisfactory even before the commeacement in January, 1982 of the textile strike in Bombay further deteriorated thereafter. Certain public financial institutions had, with a view to making the said undertakings viable, advanced large sums of money the companies owning these undertakings. Further investment of very large sums of money was found to be necessary for reorganising and rehabilitating the said undertakings and thereby to protect the interests of the workmen employed therein and to augment the production and distribution at fair prices of different varieties of cloth and yarn so as to subscree the interests of the general public. Government considered the nationalisation of the said undertakings to be necessary to enable it to invest such large sums of money and safeguard other interests. Once the basic decision of nationalisation was taken, a genuine apprehension arose in Government's mind that unless the management of the concerned undertakings was taken over on immediate basis, there might be large scale frittering away of assets which would be detrimental to the public interest. It thus became urgently necessary for Government to take over management of the undertakings in the public interest. As Parliament was not in session at that time and every day's delay could have had serious repercussions, the afore-mentioned Ordinance was promulgated.

2. The Bill seeks to replace the said Ordinance.

New Delhi;

VISHWANATH PRATAP SINGH.

The 12th November, 1983.

# PRESIDENT'S RECOMMENDATION UNDER ARTICLE 117 OF THE CONSTITUTION OF INDIA

[Copy of letter No. 7(5)/83-CP, dated the 15th November, 1983 from Shri Vishwanath Pratap Singh, Minister of Commerce to the Secretary, Lok Sabha.]

The President having been informed of the subject matter of the Textile Undertakings (Taking Over of Management) Bill, 1983, recommends under clause (1) of article 117 of the Constitution of India, the introduction of the said Bill in Lok Sabha and also recommends under clause (3) of article 117, the consideration of the Bill by Lok Sabha.

# FINANCIAL MEMORANDUM

Under the Textile Undertakings (Taking Over of Management) Bill, 1983, powers are sought by the Central Government for continuing to manage 13 textile undertakings the management of which was taken over under the Textile Undertakings (Taking Over of Management) Ordinance, 1983, pending their nationalisation.

- 2. Clause 5 of the Bill provides for the owner of every textile undertaking, being given by the Central Government an amount in cash for the vesting in it the management of the textile undertaking concerned. However, the amount so payable is not likely to exceed Rs. 30,000 per annum.
- 3. Money will have to be provided to these mills for their working capital as well as modernisation. The immediate requirement of funds for working capital for these mills has been estimated at about Rs. 15 crores but the requirements under this head in respect of the subsequent phases of running the units will be known only after watching the actual tempo of production in the undertakings as and when it picks up. As regards the modernisation requirements, it has been estimated that the funds required for not only replacement or renovation of existing machinery, etc., but also adoption of more advanced technology in spinning, weaving and processing will be about Rs. 140 crores spread over a period of four years commencing from 1984-85.
  - 4. As mentioned in the long title of the Bill, the management of these mills is to be taken over pending their nationalisation. The amounts to be so paid have yet to be assessed.
  - 5. The mills whose management has been taken over require modernisation before they can become financially viable. During the initial period till the modernisation programme is completed, the undertakings are liable to incur losses, which have to be recouped by the Government. The exact quantum of losses cannot be estimated at present.

#### MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 16 of the Bill empowers the Central Government to make rules to carry out he provisions of the Bill. Such power would enable the Central Government to make rules with regard to matters of procedure and administrative detail, which is not practicable to provide for in the Bill itself. The delegation of legislative power is, therefore, of a normal character.

AVTAR SINGH RIKHY, Secretary.

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